

4 September 1980

MEMORANDUM FOR: Director of Personnel Policy, Planning,
and Management

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STATINTL

FROM : [REDACTED]
Chief, Policy Staff/OPPPM

SUBJECT : Labeling Positions as Professional and Clerical

1. You asked Policy Staff to look at alternatives to the position labels of clerical and professional. This subject was addressed by the NAPA Project Group (attached) and acted upon by the Executive Committee in December 1979. Project Group recommendation A was not approved; rather, the Director, National Foreign Assessment Center and Director, Equal Employment Opportunity were tasked with developing alternatives. Recommendation B was approved and the Director of Training was so tasked.

2. The conclusions of the NAPA Project Group study remain valid.

- Labels are necessary for statistical and other reporting purposes.

- Label changes would be cosmetic or confusing and complicated.

- The definition of the titles relate to the complexity of the job.

- The problem is an attitudinal one.

3. The emphasis on changing attitudes regarding labels through training has been in effect for six months. Courses (see attachment) have been identified by the Director of Training in which attitudinal change is being addressed. It is too early to determine if the emphasis has resulted in a change in attitude. Our suggestion is not to change labels until there has been at least a one-year experience factor following the training emphasis.

4. The following suggestions are provided. However, we cannot generate strong support for any particular suggestion.

- Retitle clericals as Support personnel. This may cause confusion with support officers and with what has been known as a support directorate.

- Retitle clericals as Administrative or Service personnel. Again, this may cause confusion and they are basically cosmetic changes.

- Retitle professionals as Officers. However, many professional positions do not carry a title of officer; i.e., analyst positions. Further, an Engineer Officer suggests that there is an engineer who is not an officer.

- Retitle clericals as Staff personnel and professionals as Officers similar to the Foreign Service. This would require our present use of "staff appointment" to be changed (maybe to "professional appointment" following the trial period for all employees). It is complicated. Also, there may be confusion with the accepted definition of staff work.

5. We are prepared to discuss this subject further at your convenience.

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Attachments (2)

cc: DD/PPPM/R&P
Chief, PMCD
DD/PPPM/HRPI

TAB R

LABELING POSITIONS AS PROFESSIONAL AND CLERICAL

I. NAPA Comment.

"There is a stigma attached to such labeling" (Ed., professional, clerical, or technical) "and agencies such as Labor and Census are avoiding this categorization in all their data gathering and reporting activities. The EEO Advisory Group believes the Agency should follow a similar course of action." (NAPA, the Present System pp. 75-76.)

II. Discussion.

A.. The NAPA Report holds the view that a stigma is attached to the designation or "labeling" of each position in the Agency as professional, clerical or technical, the implication being that clerical and technical tasks are viewed as "non-professional." Preliminary to addressing this matter, however, one item of accuracy must be noted about the NAPA Report. Neither the Labor Department nor Census Bureau has abandoned the use of labeling and both continue the use of standard Civil Service job breakdown for statistical reporting purposes. Rather, in communication other than statistical reporting, a concerted effort is made to substitute the word "support" for clerical wherever this substitution will not confuse the issue at hand.

B. This notation aside, the division of jobs into basic position categories such as professional, technical and clerical has a variety of applications, as spelled out in a memorandum on this subject prepared by D/OEE0 at the direction of the DDCI. These are:

- °Labels facilitate CIA communication with and reporting to other government agencies and OMB about personnel related matters and are useful for compensatory monitoring under the Fair Labor Standards Act.

- °Labels serve as an aid to Agency recruiters in terms of clarifying Agency jobs and desired qualifications to potential applicants who are generally familiar with the Civil Service job classification system.

- °Labels facilitate the development, implementation, monitoring and evaluation of the Annual Personnel Plan, Personnel Development Plan, Equal Employment Opportunity Plan and other personnel related tools employed by management.

- °Labels are used as a means of defining the goal of Upward Mobility, i.e., movement from dead-ended clerical or technical positions to open opportunity professional positions. The "non-professional" labels identify those eligible to participate in Upward Mobility programs.

III. Conclusions.

A. Division of jobs into basic position categories is necessary for statistical and other reporting purposes.

B. Basic job titles could be changed in order to eliminate the word "clerical" but this would be purely cosmetic as long as we retain the "professional" designator.

C. No substitute for "professional" is apparent that would not overly complicate and confuse present applications of the three categories.

D. The terms professional, technical and clerical have specific meanings as defined in the Agency Handbook of Position Title and Occupational Codes that relate to the complexity of the job, not to the professional manner in which employees perform.

E. The problem as presented by the NAPA Report is an attitudinal one and action should be taken to promote a better understanding of the use of labels for employees.

IV. Recommendations.

A. Maintain the basic position categories of clerical, technical and professional.

The above recommendation is () approved () disapproved.

B. Charge the Director of Training to include a segment in appropriate OTR courses (such as orientation and

management courses) that addresses the three basic job categories into which all employees are placed, why this is done, and what it means. The presentation should stress no implication of lesser status for "non-professional," and that clericals do perform in a professional manner, etc. The message to be stressed is that Agency managers should not recognize category distinctions in the treatment of their employees and where possible should discourage the use of such category labels in referring to individuals.

The above recommendation is () approved () disapproved.

Deputy Director of Central Intelligence

Date

Charge the Director of Training to include segment in appropriate CTS courses for his responsibility

OTR 80-6711

7 FEB 1980

MEMORANDUM FOR: Director of Personnel
Policy, Planning, and Management

FROM: Donald E. Smith
Director of Training

SUBJECT: Approval of NAPA Project Group Recommendations

REFERENCE: Memo for DTR from D/Pers/PP&M, dated
24 January 1980, Same Subject

1. The three basic job categories of employees, the whys as well as implications, have long been addressed in several of our courses. We will, however, review scope notes and relevant presentations to assure that those topics are included and discussed in several other courses as recommended in referent memorandum.

2. The guidance contained in the reference will be used as a basis for discussion in the following courses:

- Orientation for New Employees
- Introduction to CIA
- Midcareer Course
- CIA Senior Seminar
- Secretarial Administration
- Office Management Seminar
- Fundamentals of Administration
- Management Seminar
- Effective Employee Course

3. The topics recommended fit specifically in presentations that give an overall view of Agency personnel management policies and equal employment opportunity. Course directors have been advised of this recommendation and will present the suggested ideas in all future course offerings of the above courses.

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Donald E. Smith

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RECOMMENDED PROCEDURE FOR PREPARING POSITION STANDARDS
FOR OCCUPATIONAL FIELDS UNIQUE TO CIA

Since CIA will have a substantial number of occupational fields that will not be covered by CSC Standards, PMCD should give high priority to the development of such standards. The standards should be developed in the CSC Factor Evaluation System (FES) standards format.

There are a number of policy questions to be answered before PMCD can finalize any position standards. The most significant of these pertains to grade levels. Based on a preliminary test of FES standards issued by CSC, grades of CIA positions range up to three grades higher than can be justified under CSC standards. However, this problem should not delay the start of work on Agency standards since point values to be assigned to specific levels of factors and point spreads in the grade conversion table can be determined after the development of standards.

In the development of standards, recommend that the following procedure be followed:

- 1 - First identify those standards to be developed.
- 2 - Determine the operating element to be the prime coordinator on the standard.
- 3 - Brief official of the office selected to be prime coordinator on the undertaking and request that a person be designated to serve as office coordinator for the standard.
- 4 - PMCD in collaboration with the office coordinator develop plans and schedules for collection of job information, preparing initial draft of the standard and coordinating the standard.

Sources of information to be used:

- 1 - CSC standards when available should be used as a guide or take off point.
- 2 - Agency job information in PMCD should be used initially in determining the scope of standards and levels to be identified.
- 3 - Current job information should be collected from operating components by asking for up-to-date job sheets prepared in the FES format.

Development of Standard

- 1 - The PMCD classifier in collaboration with the office coordinator should determine the scope of the standard and levels to be identified, and prepare the initial draft of the standard.
- 2 - The PMCD classifier and office coordinator should coordinate the standard with all interest offices.
- 3 - Once coordination is obtained, benchmark position descriptions should be developed for all grade levels identified in the standard provided the Agency has a significant number of positions at a given level. (Do not believe that benchmark positions should be coordinated with operators.)
- 4 - Publish standards and benchmark positions through use of OL/PSD services.

PROPOSED PROCEDURE OF ADOPTING
CSC PREPARED STANDARDS FOR USE BY CIA

The Factor Evaluation Standards being issued by the CSC can be modified for use in CIA. In some cases it will require extensive reworking. In other cases only minor adjustments will be required. In any event for less work, will be required to modify CSC standards than to start from beginning as in those cases where no standards exist. In all cases the standards should be modified to deleting reference to CSC and activities not specifically found in CIA, and then reissued as CIA standards.

The reworking of CSC standards should follow the same procedure as proposed for the preparation of standards unique to the Agency.

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POSITION MANAGEMENT AND
COMPENSATION

INTRODUCTION

1. The Position Management and Compensation Division (PMCD) is the Director of Personnel's principal agent in meeting his responsibility for authenticating staffing complements--often called Tables of Organization (T/O's)--and revisions thereto. These staffing complements establish the official numbers, grades, titles and interrelationships of job positions in Agency components. To perform this function, PMCD conducts desk audits of Agency positions, either in response to a component request that a particular position be reviewed (usually in the hope of upgrading it) or as part of a survey of the organization itself. Such surveys may occur upon request, when managers need authentication of a significant reorganization of an existing component or need a staffing complement for a new organization. PMCD is also chartered to conduct periodic position surveys of all Agency components.

2. PMCD's objective during its position evaluations is to insure, within reasonable limits, that the compensation for positions of similar levels of difficulty and responsibility are consistent within the Agency and with the rest of government. Achievement of this job/pay equity ideal is circumscribed by

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requirements that, within a Directorate, reclassification of positions must not (without DCI approval) increase the total number of senior slots (e.g. positions at grades of GS-14 and above) or the average grade of all positions. If PMCD's evaluations of job/pay equity lead to upgrading of some positions, others, at least within the Directorate, must be downgraded--perhaps despite job/pay equity--to maintain the status quo. Similarly, the Director of Personnel is charged with evaluation of Directorate proposals to change the number, grade or allocation of supergrade positions. PMCD becomes involved in such evaluation and is influenced during its position evaluations by the fact that the totals of present staffing complements include more supergrade positions than OMB has authorized to the Agency.

3. The objectives of PMCD's periodic position surveys are to update position information--in order to improve evaluation standards--and to make necessary adjustments in the grade of individual positions and the position structure as a whole. This last requirement on PMCD puts it in the position, in effect, of advising a manager on how he should organize his component in order to accomplish his mission.

4. We formed judgments on the effectiveness of PMCD's contributions toward achieving job/pay equity on the basis of discussions within PMCD and our analyses of component managers'

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comments and of recent PMCD surveys and survey reports. We conclude that PMCD's contributions vary by grade and type of position.

a. PMCD's enforcement of job/pay equity for secretarial and clerical positions is very effective despite frequent and strong management opposition.

b. PMCD is generally effective, and usually provides a useful and welcome service to managers, in establishing and enforcing job equity for multiple-copy technicians.

c. PMCD is usually effective, despite management pressure for more headroom, in maintaining job/pay equity for junior and middle grade analysts, case officers and support officers--but complaints abound in individual cases.

d. PMCD's contributions toward establishing and monitoring job/pay equity are relatively ineffective at grades of GS-14 and above. PMCD's competence to evaluate such positions is frequently questioned, and it is rarely able to prevail in resolving disputes. When it does prevail, its downgrading recommendations sometimes restrict future headroom but have little immediate effect in the sense of causing transfers or demotions of incumbents. As one senior manager put it, the outcome depends on how well the Office "snows" PMCD.

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5. PMCD's responsibilities in the enforcement of average grade, senior slot and supergrade limits are unclear. It is therefore difficult to assess the Division's contributions to this effort. Responsibility for allocation of Directorate staff manpower ceilings (i.e. total positions) among components is assigned to Deputy Directors. Each year they, or their component heads, develop proposed staffing complements which, in their totals, must stay within the numbers of positions at each grade allocated to their career services. Proposed staffing complements which contain revision, or are later revised by a PMCD periodic survey, must be authenticated by the Director of Personnel. If that authentication supports a number of positions, an average grade or a number of senior slots that exceeds the Directorate's allocation, the Deputy Director must take action through the Director of Personnel and Comptroller to obtain approval for the increase. The Director of Personnel may advise on where compensating changes may be made to avoid exceeding average grade limits. But responsibility, and most decision authority, belongs to the Deputy Director concerned. PMCD's responsibility appears to be in support of the Director of Personnel's monitoring, advisory and staffing complement authentication roles. Wherever the blame or credit lies, it is important to note that upward grade creep in CIA is not significantly different from that experienced in most other Federal agencies.

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6. Agency managers express more dissatisfaction with the way the PMCD function is performed than with any other activity of the Office of Personnel. They allege that PMCD personnel do not understand Agency functions and positions, much less their importance and uniqueness, and insist on using Civil Service standards of position classification which many think are not applicable to the Agency. Managers are further disturbed by PMCD delays in reviewing component requested changes and by the time-consuming PMCD periodic surveys which rarely have a significant impact. In judging the validity of such criticism, which reflects the view of a large majority but is not universal, one must take into account the PMCD functions described above. These are control functions which impact on how managers manage. Since PMCD, in its wisdom, frequently disagrees with the wisdom of managers concerning position classification, an adversary relationship develops. Therefore, PMCD does not engender much affection from managers.

7. CIA follows the Civil Service wage and grade structure, but the dynamic nature of the Agency's unique role has resulted in management innovations which are not typical of the Civil Service tradition. Position management in the Civil Service usually involves looking at the function of an organization and constructing a hierarchic structure of components and positions to perform that function. Position management in

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that tradition envisions a fairly stable situation--minor changes in positions and structures can be accommodated based on experience. Such organization structures are effectively utilized by many Agency components including the Office of Personnel. However, many other Agency components are characterized by constant change in mission and priorities. Their organizational structures and assignment of personnel are in constant flux. Such components find the slow and agonizing PMCD way of doing business untenable.

8. In the position classification field, CIA also frequently departs from Civil Service concepts. In the Civil Service tradition a position has certain qualities of responsibility, supervision, educational requirements, etc. Based on the number and level of such requirements a GS grade is assigned to the position. People then compete for the position on the basis of merit and the assigned individual must be promoted within 120 days or removed from the position. Superficially, CIA appears to function in a similar manner. Actually, the Agency career service system operates more on the "rank in the man" than on the Civil Service "rank in the position" concept. Agency managers think in terms of the career progression of people. Individuals are frequently placed in a position not because their talents match all of the requirements of the position description but in order to provide them

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with the opportunity for advancement based on potential and past performance. Then the functions of the position are unofficially modified to best exploit the talents of the incumbent. Thus, there is an inherent incompatibility between PMCD's preoccupation with fixed, unchanging positions and managers' preoccupations with adjusting positions to fit changing people.

9. In reviewing a number of PMCD surveys, we find some validity to the frequently voiced assertion that PMCD bases its judgment too closely on Civil Service precepts. It is concerned with matching grade structures to hierarchic organization structures, sometimes with little understanding of why some organizations are otherwise arranged. It goes to some lengths to correlate CIA positions (which are frequently unique to CIA) with positions elsewhere in the government, e.g., an NSA journeyman computer programmer is a GS-12; therefore, a CIA programmer, who may in actuality work with a much more complex system and set of problems, should be comparably graded. We find many examples where PMCD used comparisons which we judge to be invalid, e.g., we do not think a DCD Contact Officer should be compared with a DDO Case Officer to establish grade equity. We also find examples where PMCD has recommended that a position be abolished in order to improve the professional to clerical ratio with no argumentation provided as to whether

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or not the workload justifies the position. We find many examples where PMCD has recommended that a position be downgraded because the incumbent wasn't performing at the position grade level. It seems to us that the requirement for the position should be PMCD's primary concern rather than the current incumbent's performance.

10. We feel there is some confusion in PMCD as to its appropriate role, i.e., whether to ensure job/pay equity or to control the rise in average grade and the like. As mentioned above, these are somewhat conflicting goals. Regulations require that average grade and senior slots be held constant within Directorates as a whole. PMCD apparently attempts to enforce such restraints within each component, sometimes to the detriment of job/pay equity. Recommendations contained in its survey reports frequently result in an overall reduction in average grade, senior slots and supergrade positions. We believe that, at least at the component level, PMCD should only be concerned with job/pay equity, i.e., in reviewing positions, it should call it as it sees it; controlling average grade is a higher management concern.

11. The intent of the above discussion is not to lay the groundwork for a recommendation that we abolish our system of position management and compensation or that we do things in a radically different manner. Since we are a government agency,

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our options are limited. The intent is to indicate the culture in which such a system must operate and some of the problems it faces.

12. CIA was exempted from the Classification Act of 1949, but in that year Director Hillenkoetter informed the Civil Service Commission that in our internal personnel policies we would follow the basic philosophy and principles of the Act. In October 1962 the Acting Director reaffirmed the Hillenkoetter policy in a memorandum. This policy is set forth in various Agency regulations and PMCD is our primary internal control for ensuring that we adhere to the classification principles of the Classification Act. Under its legal exemption, CIA could seek Executive approval to establish its own system of grade structure and wage scales but any system we developed would probably not be approved if it departed dramatically from government-wide pay and classification legislation and policy. There is no prospect at present that a change in system will be sought, and in any case any system utilized by CIA would require management and control to ensure job/pay equity, to respond to concerns over the size of the Federal payroll, and to implement executive policies stemming from those concerns. Therefore, the PMCD function must continue.

13. In the balance of this Tab, the discussion is subdivided into the major issues we believe impact on PMCD and

its functions. Conclusions and Recommendations designed to improve the performance of PMCD, make it more responsive to component requests for position changes and, hopefully, to create a better working relationship between PMCD and Agency components are provided on pages G-26 through G-31.

14. It is important to note, before embarking on the individual topics, that, prior to the initiation of this OIG survey, [REDACTED] a retired employee, was given a contract to conduct a study of PMCD and to make recommendations designed to improve position management and classification in CIA. The Inspection Team found [REDACTED] study of : 25X1A
considerable value in its own deliberations.

PMCD Staffing

15. The position classification profession requires talented individuals. They must have representational qualities, the ability to brief well and deal with people at all levels, good analytical skills and several years training to learn the basics of the profession. We have been told that PMCD was formerly staffed with individuals not having these skills. PMCD management believes the Division is currently staffed with high-quality individuals. Customer comments suggest this may not be universally true, but we were impressed with the enthusiasm and competence of the PMCD personnel we contacted.

16. Despite the general criticism of PMCD, several Agency managers praised the competence of a few PMCD analysts.

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We suspected that these analysts might simply have been unusually lenient, but that was not the case. The well-regarded analysts are experienced in position classification and have dealt frequently over a number of years with the organizations that praised them. As a result they understand those organizations and are responsive to their needs. We have concluded that effective rapport between PMCD and Agency components can be established when a competent PMCD analyst is assigned to an account over an extended period (up to five years). The PMCD analyst learns the structure and problems of the component and the component gains confidence in and respect for the PMCD analyst.

17. At one time, PMCD was viewed as a cradle-to-grave assignment. Its current policy is to maintain a two-thirds permanent cadre staff of experienced professionals and to fill the remainder of its 22-25 positions with three-year rotational assignments. The PMCD staff is small in relation to its responsibilities. There are only 8-10 full-time classifiers and about five professionals engaged in developing better job standards. Since it takes several years to train a new analyst, we believe the proportion who are permanent staff should be kept at a high level to maintain the professionalism of PMCD. We suggest that the permanent staff be given periodic personnel officer rotational assignments to other Agency components (perhaps two or three during a career) to

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obtain a different perspective and to gain more experience with the problems of other components. This could be coupled with the rotation of other personnel into PMCD either from the Office of Personnel or elsewhere. We understand that the Office of Personnel has made a proposal to obtain personnel from other components and Directorates for rotational assignment to PMCD. The rotation of PMCD personnel to the Directorates and Directorate personnel to PMCD would further mutual understanding and facilitate PMCD working relationships with components, if the assignees' tours are long enough to develop and employ adequate position classification skills.

Centralization Versus Decentralization

18. Some managers argue for decentralized position management and classification. They suggest that professional job classifiers be assigned to Directorates, or even to large components, and that job classification be done wholly within such units. They feel that existing constraints on numbers of positions, senior slots and average grade are adequate to prevent empire building and that, within these constraints, they are best able to decide how to organize their components and assign grade values to positions.

19. Such a decentralized system is in effect at the Energy Research and Development Administration (ERDA) and it reportedly works effectively. However, ERDA uses a standardized

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system for evaluating its relatively homogeneous positions and managers have been trained in and are involved in the application of this system, thus ensuring a certain amount of job/pay equity within ERDA. From this and other examples, it appears that a decentralized system can work satisfactorily in some organizations if systematic position standards have been developed and managers understand those standards and are willing to devote time to their application. Those conditions do not exist in CIA. Position classification is not well understood by CIA managers and over the years we have used a number of different criteria, understood only by PMCD, for evaluating positions.

20. The Civil Service Commission is developing a position classification methodology called the Factor Ranking/Benchmark System and has decreed that all agencies under its cognizance will adopt it by 1980. The system is based on data compiled from the experiences and systems of industry, labor, foreign countries, etc. Those who are familiar with the system are enthusiastic over its potential and cite as its advantages that it is easy to understand, it is a more accurate way to grade positions than systems used heretofore and it requires Operating Component participation, thus leading to agreement and understanding on how positions are classified. PMCD has established a separate branch to develop this system for Agency use.

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21. The Inspection Team was impressed with the potential of this system and urges the early development and use of an Agency version to improve both position classification and communication on that subject between PMCD and components. When the system has been fully implemented and understood, at least one barrier to decentralized position classification in CIA might be removed. Even under those circumstances, however, we doubt that decentralization, in the sense of assigning position classifiers to Directorates, would be desirable in this Agency.

22. Although most authority in CIA is delegated to the Deputy Directors who supervise the four semi-autonomous Directorates, the Agency must operate as a single organization in its relations with the rest of government, including its conformance with manning and staffing rules and restrictions. These require that job/pay equity be maintained and monitored throughout the Agency, not just within Directorates. That monitoring is performed by the Director of Personnel. We believe his central control of Agency position classification experts is essential to the provision of uniform classification standards and to monitoring the application of those standards within the several Directorates. We question, however, whether the Director of Personnel needs to retain authentication control of official staffing complements. That subject is discussed in the next section.

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Authority and Appeals

23. In practice, managers are not now unduly restricted by PMCD's recommendations or by its influence on their staffing complements. Undesired recommendations arising from PMCD periodic position surveys are frequently negotiated away or ignored. No effective system of enforcement or appeal has been formalized to deal with outstanding differences, and various mechanisms, necessary for other reasons, provide means of evading many of the restrictions in an unsatisfactory Table of Organization. For example, the Office of Finance uses Personal Rank Assignments as a means of providing GS-12 Certifying Officers to overseas posts because PMCD will only authenticate a lower grade. PMCD recommendations have somewhat more force when a component initiates a reorganization or tries to upgrade positions. Even in these cases, however, PMCD has on occasion been overruled by the Director of Personnel or the DDA. In practice, if a controversy attracts the attention and support of a Deputy Director, his decision usually governs the actual outcome, although not necessarily the official staffing complement. For example, PMCD recommended that the Personnel Management Group/DDO staffing complement be limited to eleven supergrade positions. Eighteen are now and will be assigned there--the number authorized by the DDO. The extra positions are simply flagged on the staffing complement as awaiting approval.

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24. It has been argued that PMCD, as a component of the Office of Personnel, is buried in the Agency management hierarchy and does not have enough clout to operate effectively and to enforce its decisions (assuming it has come to rational decisions which should be enforced). It has been suggested that the functions be attached to the Office of the Comptroller. We do not think the placement of the function is a significant factor in improving its accomplishment. If the function were performed competently and with a greater degree of management understanding, if PMCD's authority were understood and spelled out in Agency regulations, and if its decisions could be appealed and reviewed by higher authority, then we believe it could function effectively where it is. The more basic question is, what role and authority should PMCD have?

25. We have reviewed and discussed several recent PMCD surveys with the surveyed components. These components generally felt that PMCD was on target regarding its recommendations on clerical positions. They expressed strong disagreement with PMCD judgments on a number of other positions, particularly upper level positions. The PMCD analysts who conducted the surveys were judged to be dedicated, competent individuals but it was felt that they did not obtain the understanding necessary to make valid judgments regarding

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the significance and the uniqueness of the professional positions being analyzed, nor did they use realistic comparison data. We do not think this is simply management dissatisfaction because it did not get its way. As discussed earlier, we also question the infallibility of PMCD's judgment. This is not intended as criticism of PMCD or its personnel. They are not and cannot be specialists in all the organizations or position fields they are analyzing; therefore, they will make errors in judgment and their decisions should be subject to review and, if necessary, reversal.

26. Many believe that no effective and impartial appeal route exists. The Director of Personnel is uniquely empowered to authenticate and issue staffing complements and is therefore the official appeal route. PMCD reports and recommendations are furnished to components over his signature, however, and the route back lacks at least the appearance of impartiality. Questions could and would be raised about his qualifications to resolve a dispute in detail about a specialized position deep within another Directorate, and such disputes are frequent --31 of the 38 component managers interviewed on this subject had complaints. Moreover, his real means of enforcing other than very important PMCD recommendations is open to question. His authority to authenticate staffing complements is clear. Deputy Directors, however, must determine the allocation of

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staff manpower ceilings among their components and may, within some limits, make shifts in manpower within their Directorate without seeking outside approval. In arguments with other Deputy Directors, the DDA can, and sometimes does, lend invaluable support to the Director of Personnel. Unresolved questions can be and sometimes are taken to the Management Committee and the DCI for resolution. The number of disputes far exceeds the capacity of this channel, however, and most, therefore, are either settled through negotiations--usually in management's favor--or left unresolved.

27. The main problem with the Director of Personnel/DDA: appeal route lies in the number and complexities of the disputes. Effective and equitable resolution of them all would require amounts of job knowledge, position classification knowledge and study time that are simply not available to those with the high level of authority and respect needed to impose an undesired solution on a Deputy Director. Creation of an appeal authority outside the four Directorates--e.g., the Comptroller or, God forbid, the Inspector General--would face the same set of problems.

28. Efforts are being made, as they have been for years, to reduce the number of differences by improving the quality of PMCD's judgments, improving managers confidence in those judgments and, through negotiations at various levels, to reduce unresolved differences to those few critical cases perhaps

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worthy of Management Committee action. The last, and most effective process, doesn't enhance management confidence in PMCD advice or in the value of the whole exercise, however. One very senior manager said that the subjectivity of the PMCD process is driven home when you reach the negotiating point; "I'll give you two GS-07's for one GS-12." Many other managers have illustrated their doubts about the worth and effectiveness of the whole process by indicating that after months of effort they are able to obtain through negotiation almost everything they wanted. We applaud the efforts to improve the quality, and thereby the acceptability of PMCD judgments. We find little new in these efforts, however, and little in the outcome of similar efforts in the past to justify an expectation that achievable improvements, however desirable, will solve the problems by itself.

29. We conclude that there are only two solutions available. The present system, lacking real enforcement authority, can be continued and probably be improved by better, semi-rotational PMCD staffing and development and implementation of better, more understandable classification standards--i.e., the Factor/Benchmark system. We believe these steps would help, but that most of the fundamental problems would remain. The other choice is--in addition to these steps--to make the Deputy Directors the appeal and decision authority, while preserving the Director of Personnel's capability and responsibility for monitoring their actions.

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30. Whether transfer of staffing complement authenticating authority to the Deputy Directors would degrade, improve or leave unchanged the Agency's performance in job/pay equity and adherence to average grade and other manning restrictions is bound to be a controversial question. Some would regard it as setting the fox to guard the chickens. Others would contend that this, in many cases, describes the present system, and, if coupled with active and adequate monitoring by the Director of Personnel, degradation in performance is by no means an inevitable result. The more optimistic would even contend that providing control of staffing complements to those now responsible for holding average grade, senior slots and supergrades within their allocations would remove any ambiguities that may now exist as to where that responsibility lies; would provide them unambiguous decision authority over a tool important in carrying out these responsibilities, and would improve the relationship between staffing complements and reality by insuring that disputes are decided. PMCD influence on component managers during negotiated settlements might even be increased by the knowledge that unresolved disagreements will be decided at a higher level. Moreover, the fact that the decision will be made by his own superior might make the manager a little less defensive and a little less inclined to employ "snow" tactics.

31. No proof can be offered that the outcome of the shift in authority described above will be good, bad or indifferent.

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We are persuaded, however, that the risks of serious degradation are not great--and return to the present system would be possible if we are proven wrong. The shift could be an improvement, perhaps an important one, over the present system. We believe other possible changes in the system, such as total decentralization or creation of a supra Directorate appeal authority to be undesirable, impracticable, or both. We therefore conclude that the transfer of authority should be made. The details of our proposals are provided in the Conclusions, starting on page G-26 of this Tab.

Periodic Position Surveys

32. Headquarters Regulation [REDACTED] provides for periodic position surveys to update position information, and to make necessary adjustments in the grade of individual positions and the position structure as a whole. Headquarters Notice [REDACTED] 7 January 1972, established the Position Survey Program with the aim of scheduling and conducting position and manpower utilization surveys in all components with the objective of achieving complete coverage of the Agency each three years. PMCD is charged with conducting the Position Survey Program. In conducting surveys, PMCD is concerned with position management (organizational structure, alignment of functions, number of positions at different skill levels, occupational levels required to carry out missions, ratio of professionals to clericals, number of supervisors to work force, etc.) as well as position classification.

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33. PMCD attaches high importance--and priority--to its periodic survey program. The program provides needed opportunities to study Agency positions in order to improve position classification standards. It generates reviews of positions that may have changed in character, if not in title or grade, since they were last classified. And it provides opportunities to review and make recommendations about the organizational structure of Agency components, some of which PMCD believes badly need such review.

34. Most component managers are extremely critical of the PMCD periodic survey program, however. Many comments deal with subjects discussed earlier--managers reservation about the comparisons used by PMCD to classify positions and about PMCD's ability to understand the unique character of some component positions--the time spent in negotiating differences in how a few positions should be classified--and the fact that unresolved differences are apt to stay unresolved. These comments apply broadly to most PMCD surveys, whether conducted at the components request to authenticate a reorganization or one of the PMCD-initiated periodic surveys. A number of comments apply more specifically to the latter, however.

35. One often-mentioned problem is that PMCD's manning and priority system does not permit an early response to a request for a reorganization-generated survey, or rapid accomplishment of the survey after it starts. PMCD's efforts to meet a three-year cycle of periodic surveys lead to tight scheduling of its limited

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manpower. There is little slack in this schedule and long delays --many months and sometimes a year or two--occur between a component's expression of need for a survey and its commencement. Sometimes this forces components to operate for protracted periods with an outmoded official Table of Organization. In one case we found that a component had deferred a needed reorganization for a year while awaiting a scheduled PMCD periodic survey. Another has long deferred many conversions of contract employees to staff employee status because PMCD is too tightly scheduled to help. Yet the periodic surveys go on. One organization that recently finished such an unsolicited survey pointed out that it occurred in the middle of changing missions and methods of operation, the impacts of which could not be assessed at that time.

36. The PMCD advice received during periodic surveys on organizational structure is of often-questioned value. We attempted, unsuccessfully, to check this by evaluating changes recommended in recent PMCD survey reports. We found that PMCD survey reports include, usually without clear distinction, both their own recommendations and others originated earlier by the component. Thus, the acceptance by managers of recommendations for organization changes made in survey reports is not a good measure of the contribution made by PMCD. Most managers interviewed felt that few of the PMCD-originated organization recommendations were useful. Since they are not obliged to follow these recommendations,

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they found them more annoying and time-consuming than harmful, however.

37. Many managers questioned the qualifications of PMCD job classifiers to provide detailed recommendations on how a component should organize to carry out its mission. Such PMCD personnel are relatively junior in grade (typically GS-12 or 13), lack Operating Component and senior management experience, and have relatively little exposure to the component's particular problems. Moreover, managers point out that their organization is subject to command review in their Directorate, to program audits by the Audit Staff, and to OIG surveys.

38. We concur with many of the managers views expressed above. We have noted the following consequences of the present periodic survey program.

a. Unresolved differences with PMCD periodic survey findings are sometimes never formally settled after the procedural steps of receiving and commenting upon the survey report. Most of the controversial findings do not result in binding T/O changes or in immediate organizational changes, although PMCD personnel believe many of their rejected recommendations appear later in management-suggested reorganizations. The manager, if supported by the Deputy Director concerned, really determines his organization structure.

Therefore we believe the expenditure of 3-6 months of component

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and PMCD efforts at three year intervals for periodic position surveys to be excessive when compared with the specific end results achieved.

b. Competing periodic survey schedules delay the accomplishment of surveys needed to authenticate reorganizations. These delays--and sometimes unresolved differences arising from the periodic surveys themselves--lead components to operate for protracted periods on unofficial T/O's that differ from their official staffing complement. This leads to unnecessary use of misslotting, Personal Rank Assignments and other devices potentially subject to CSC and OMB criticism, misunderstanding, and, perhaps, imposed cuts. Moreover, centrally generated position control information in these cases is inconsistent with the real world. This can mislead senior management and obscure the development of manning problems. It also requires component maintenance of multiple bookkeeping systems for middle management use. In addition, inconsistencies between de facto and official T/O's make middle-level managers uncertain about their slot grades and headroom and generate problems in assignment planning, personnel advancements and morale.

39. We recognize PMCD's need to review a variety of positions in order to maintain and improve its classification standards. We believe such data can be acquired without a full organizational

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review, however. We recognize that over a period of time the duties of a position can change and that it is useful to management to have PMCD periodically review positions to validate their classification. We believe that static organizations should be subject to such reviews--but at intervals considerably longer than three years. These reviews should not, however, be accorded priority over the more immediate classification needs of rapidly changing organizations. Lastly, we believe PMCD should restrict its organizational recommendations to those cases where the organization structure has a dominating impact upon the classification of the positions involved.

Conclusions

Conclusion G-1. Authority should be delegated to Deputy Directors to modify and authenticate staffing complements (T/O's) within the limits of Directorate allocations of staff manpower ceilings, senior slots (GS-14 and higher) and average grade. This authority should be qualified by a requirement that recommendations by PMCD representatives regarding changes in the grades of existing positions or the assignment of grades to new or significantly altered positions be considered by component managers and, if unresolved, ^{at this level (SIC)} by the Deputy Director before such changes are effected.

- a. To accomplish the second part of this it is essential that PMCD be involved before a significant reorganization is

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effected. Provisions should also be included for PMCD, when deemed necessary by the Director of Personnel, to review and reassess the grades of new or significantly altered positions after six months or so of experience with the new organization. In some cases the Director of Personnel may decide that a survey of all positions in the new organization is needed. PMCD recommendations arising from such position reviews or reorganization surveys (or from periodic and special surveys discussed in Conclusion G-5 below) should be considered by the component manager and, if unresolved, ^{at this level (S, E)} by the Deputy Director within a specified, short time interval after the recommendations are made.

b. Since supergrade positions are directly controlled by the DCI, and since a new system for handling supergrade problems is being considered by the Management Committee, they have not been specifically included in this conclusion. Consideration should be given, if this proposal is adopted, to similar modification of the way supergrade positions are handled, however.

Conclusion G-2. The Director of Personnel, acting for the DCI, should be required to monitor Directorate and DCI Area adherence to equal pay for equal work (job/pay equity) principles and to allocated manning, average grade and senior slot limits, and to recommend appropriate DCI action in cases where he cannot resolve differences with the Deputy Director concerned.

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Conclusion G-3. In the area of position grade evaluations, PMCD should:

- a. Develop and maintain standards for position evaluation use.
- b. Participate in and advise on all position evaluations.
- c. Insure that unresolved differences with component managers over position evaluations are brought to the responsible Deputy Director for decision.
- d. Inform the Director of Personnel in cases when, in the opinion of PMCD, decisions made by Deputy Directors conflict significantly with equal pay for equal work principles or established pay policies--e.g. pay scales for senior secretaries.

Conclusion G-4. With regard to staffing complements, PMCD, in collaboration with other Office of Personnel components, should:

- a. Establish staffing complement formats.
- b. Compile, produce and disseminate staffing complements authenticated by the Deputy Directors and produce and disseminate related management information reports.
- c. Report to the Deputy Director concerned and to the Director of Personnel any non-trivial continuing instances when the totals of a Directorate's staffing complements exceed that Directorate's allocations of manning, senior slots or average grade.

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Conclusion G-5. PMCD's responsibility for conducting periodic position surveys should be modified. In this area:

a. PMCD should conduct periodic position surveys in components that have received little attention in conjunction with reorganizations for a period of about five years.

b. The Director of Personnel should initiate special PMCD position surveys in other cases where he has reason to believe that position classifications need revision.

c. Neither periodic nor special position surveys should be allowed to interfere with prompt and rapid service of reorganization or other more immediate needs for PMCD assistance.

d. During all surveys, PMCD should restrict its recommendations regarding the organization and management of component personnel to cases where organization or management is the dominant consideration in evaluating position grades.

e. PMCD should be permitted on its own initiative to audit positions in any component in order to obtain data needed to establish, maintain or improve position evaluation standards.

Conclusion G-6. PMCD should accelerate the development and trial implementation of improved position evaluation standards and methods similar to the Factor/Benchmark system now being

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developed by CSC for government-wide implementation by 1980. Full CSC development of its system should not be a prerequisite to development and trial implementation of an Agency version.

Conclusion G-7. The Director of Personnel should review and alter the organization of and manpower authorized for PMCD as necessary to meet its revised mission.

a. It is important to note that PMCD manning must permit prompt and rapid service of component needs.

b. A program of rotating Office of Personnel people with experience as component support officers through 3-5 year PMCD tours, and of rotating PMCD professionals through component support officer tours, would provide a valuable experience base.

c. Rotating personnel from other Agency components through PMCD tours would contribute more specific component knowledge and would be useful if the tours can be long enough for the rotating personnel to develop and use job classification expertise.

Recommendations

Recommendation No. 7. That the DCI delegate to the Deputy Directors authority to authenticate staffing complements, requiring them to consider PMCD recommendations on position grades before effecting changes and to exercise this authority within their allocations of staff manpower ceilings, senior slots and average grade.

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Recommendation No. 8. That the Director of Personnel monitor Directorate and DCI Area adherence to their allocations and to job/pay equity and recommend appropriate DCI action in cases where he cannot resolve differences with the Deputy Director concerned.

Recommendation No. 9. That the Director of Personnel revise PMCD procedures, position surveys, scheduling, and manpower as indicated in Conclusions G-3 through G-7 above.